

Loring BioEnergy, LLC)	Department
Aroostook County)	Finding of Fact and Order
Limestone, Maine)	Air Emission License
A-880-71-B-M)	Minor Revision #1

After review of the air emissions license application, staff investigation reports and other documents in the applicant's file in the Bureau of Air Quality, pursuant to 38 M.R.S.A., Section 344 and Section 590, the Department finds the following facts:

I. REGISTRATION

Introduction

Loring BioEnergy, LLC (LBE) is a proposed electrical generation facility to be located at the former Loring Air Force Base in Limestone, Maine. LBE has submitted a written request for a minor revision to extend the authorization to construct beyond the 18 months allowed for by the air emissions license.

The LBE project was licensed for a new combustion turbine, combustion turbine generator, duct-fired heat recovery steam generator (HRSG), and a steam turbine generator to produce electric power and process steam for sale. LBE is licensed to produce approximately 55 megawatts (MW) of electric power during the summer and 70 MW during the winter (actual electricity production will vary depending upon atmospheric conditions).

II. APPLICATION CLASSIFICATION

LBE has submitted a letter requesting that the approval to construct the proposed facility as provided by the original air emission license A-880-71-A-N be extended for an additional 18 months. There will be no increase of emissions associated with this request. Therefore, this licensing action is processed as a minor revision.

III. MINOR REVISION REQUEST

Construction Extension Time-frame

Loring BioEnergy was issued an air emissions license on July 19, 2004 for the construction and operation of a gas turbine cogeneration facility at the former Loring Air Force Base in Limestone. Condition #3 of the Standard Conditions in Air Emissions License, A-880-71-A-N, states that approval to construct the facility becomes invalid if the licensee does not commence construction within 18 months of license issuance (i.e., January 19, 2006).

LBE has made significant progress in developing the project financing and negotiating the Engineer, Procure and Construct (EPC) contract. However, additional time is required to complete these negotiations and to perform the necessary engineering and on-site studies that must be completed before actual on-site construction can begin. In addition, the upcoming winter season is an unfavorable time to begin actual on-site construction activities.

The emission control technologies that LBE originally proposed and the Department incorporated into the air license still represent Best Available Control Technology (BACT) for the proposed facility. This includes the use of dry low NO_x combustors (for gas fuel) and water injection (for fuel oil) to reduce NO_x emissions from the combustion turbine; a low emissions design duct burner; and selective catalytic reduction (SCR) to reduce the resulting NO_x emissions formed during combustion. BACT also requires the use of an oxidation catalyst to control emissions of CO and VOC, and requires the use of pipeline quality natural gas and low sulfur (0.05% max.) fuel oil to control emissions of particulate matter and sulfur dioxide.

Conclusion

LBE requests and is granted, through this minor revision, an extension to begin construction for an additional 18 months, or until July 19, 2007.

ORDER

Based on the above Findings and subject to conditions listed below the Department concludes that the emissions from this source:

- will receive Best Practical Treatment,
- will not violate applicable emission standards, and

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- will not violate applicable ambient air quality standards, or increment standards either alone or in conjunction with emissions from other sources.

Therefore the Department grants this minor revision A-880-71-B-M, subject to the conditions found in air emission license A-880-71-A-N, and in addition to the following condition:

- (1) LBE is granted an extension to begin construction for an additional 18 months, or until July 19, 2007.

DONE AND DATED IN AUGUSTA, MAINE THIS _____ DAY OF _____ 2005.

DEPARTMENT OF ENVIRONMENTAL PROTECTION

BY: _____
DAWN R. GALLAGHER, COMMISSIONER

PLEASE NOTE ATTACHED SHEET FOR GUIDANCE ON APPEAL PROCEDURES

Date of initial receipt of application: November 18, 2005

Date of application acceptance: November 28, 2005

Date filed with Board of Environmental Protection: _____

This order prepared by Edwin L. Cousins, BAQ